

**AMENDMENT 14-01 to  
PARTICIPATING ADDENDUM  
(hereinafter "Addendum") for  
WESTERN STATES CONTRACTING ALLIANCE 2009-2014  
COMPUTER EQUIPMENT PERIPHERALS, AND RELATED  
SERVICES**

**Administered by the State of Minnesota (hereinafter "Lead State")  
between the  
State of Washington, Department of Enterprise Services  
Participating Entity Contract Number: 06112 (T10-MST-312)  
And  
IBM Corporation (hereinafter "Contractor" or "IBM")  
Minnesota-IBM Master Price Agreement ("MPA") Number: B27166**

**Date Issued:** 3/12/14

**Effective Date:** The date of the last signature of the Master Contracts and Consulting (MCC) Authorizing Manager and IBM.

**1. Purpose:** The purpose of this Amendment 14-01 by and between the State of Washington and IBM Corporation is to change the method by which Contractor submits Contract Activity Reports, and to remove the name Department of Information Services (DIS) and replace it with Department of Enterprise Services (DES).

**2. Modifications to Participating Addendum:**

A. Effective immediately upon mutual execution of Amendment 14-01, remove in its entirety on the MPA, Addendums, Forms, Exhibits, and Schedules the old customer name of Department of Information Services (DIS) Technology Brokering Services 605 E 11<sup>th</sup> Ave, PO Box 42445 Olympia, WA 98504-2445 and replace with Department of Enterprise Services (DES) 1500 Jefferson St. SE, Olympia, WA 98501.

B. Section 3.9 Article 44.B "*Participating Entity Reports and Fees*": delete in its entirety and replace by the following:

**Article 44.B *Participating Entity Reports and Fees*** is hereby modified to add the following language:

**4. Management Fees**

The contractor shall pay the Department of Enterprise Services (DES) a management fee equal to one and one-half percent (1.5% or .015) of the total price, less any taxes, returns, credits or adjustments, of all sales (total net sales) under this Addendum.

The management fee will be included in contractor's pricing as set forth in the contract (including all amendments), and will not be included as a separate line item on any invoice submitted to a purchaser.

Management fee payment must reference the contract number, Work Request Number (if applicable), the year and quarter of which the management fee is being remitted, and the contractor's name as it is known to DES, if not already included on the face of the check. All payments must be sent to:

<b>Name:</b>	State of Washington, Dept of Enterprise Services Finance Dept
<b>Address:</b>	1500 Jefferson Street Mail Stop 41460 Olympia WA 98501
<b>Additional:</b>	Contract #: Quarter/Year: Contractor's Name as it is known to DES (if not already included on face of the check)

DES may, at its sole discretion, increase, decrease, or eliminate the management fee with at least 30 days written notification to the Contractor. Any such change shall be mutually approved by the parties via an Amendment to the Addendum, and shall commence at the beginning of the next quarterly reporting period. DES reserves the right to negotiate contract pricing with the contractor in the case of an upward adjustment of the management fee that affects contract pricing.

## 5. Sales Reporting

### a. Contract Sales and Reporting System ("CSRS")

The Contract Sales and Reporting System is DES' on-line usage reporting system that is to be used by the Contractor to report quarterly contract sales for each Participating Entity. Prior to the due date for Contractor's report, an account will be established, and a log-in provided. The location of the CSRS is

<https://fortress.wa.gov/ga/apps/CSR/login.aspx>.

Reports will be submitted in the month following the quarter-end and before the "Report Due" dates as shown below:

<u>Quarter</u>	<u>Quarter Ends</u>	<u>Report Due</u>
1 <sup>st</sup>	March 31 <sup>st</sup>	April 30 <sup>th</sup>
2 <sup>nd</sup>	June 30 <sup>th</sup>	July 31 <sup>st</sup>
3 <sup>rd</sup>	September 30 <sup>th</sup>	October 31 <sup>st</sup>
4 <sup>th</sup>	December 31 <sup>st</sup>	January 31 <sup>st</sup>

### b. Sales Report

Contractor will provide DES with a sales report detailing total net sales for the preceding quarter ("Sales Report"), in accordance with the Sales & Subcontractors Report of this Amendment 14-01 as defined in Appendix A; DES will send an invoice to Contractor within 30 days after the quarterly Report Due date, based on the Sales Report entered into the CSRS. Payment of the management fee is due within (30) days of Contractor's receipt of a DES invoice that matches the applicable Sales Report.

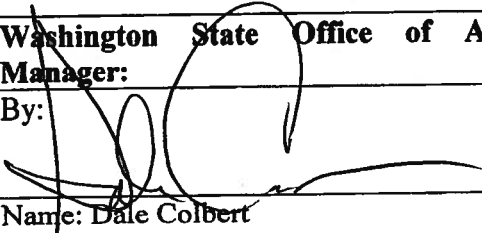
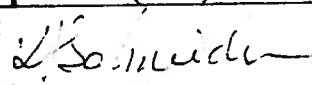
### C. Append the following to Section 3.10 Article 46 *Audits*:

The state reserves the right to audit, or have a designated third party audit, applicable records to ensure that the state has been properly invoiced and the applicable management fees have been paid. Contractor shall be responsible for any reasonable audit finding or reasonable disallowed costs, and shall have ten (10) business days to respond to audit findings, or as otherwise agreed.

Failure by Contractor, due to Contractor's negligence, to accurately report the total net sales, to submit a timely Sales Report, or remit timely payment of the management fee, may be cause for termination for convenience, the charging of reasonable interest or penalties, or the exercise of other remedies provided by law.

**3. Other Terms and Conditions:** All other terms and conditions of Participating Addendum Number 06112 (T10-MST-312), WSCA MPA # B27166 and all addenda and amendments thereto, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment 14-01 as of the date of execution by both parties below.

<b>Washington State Office of Authorizing Manager:</b>	<b>Contractor: International Business Machines Corporation (IBM)</b>
By: 	By: 
Name: Dale Colbert	Name: Kevin A. Schneider
Title: Procurement Unit Manager	Title: WSCA-N/1520 Nat'l psm legn
Date: 4-24-14	Date: April 21, 2014

## ***Appendix A – Vendor Sales Reporting System***

The parties agree that IBM will utilize DES' CSRS tool to provide the quarterly reporting to DES, as described in this file from the state's website.



WA CSRS File Upload  
Help